

# Situation and Outlook for Orange Juice

**World orange juice production in selected major producing countries in 2003/04 is estimated at 2.6 million tons (65 degrees brix), up an estimated 18 percent from the 2002/03 level, but down slightly from the January 2004 estimate. Brazil and the United States account for most of the increase from the previous year.**

## GLOBAL PRODUCTION

World orange juice production during 2003/04 is forecast at 2.6 million tons (65 degrees brix), about unchanged from the January 2004 estimate. This is still 18 percent above last year's high level, mainly the result of the increases in production for processing oranges in Brazil and the United States. Brazil's production in 2003/04 (local marketing year July 2004-June 2005) is forecast at 1.32 million tons, up 21 percent from the 2002/03 level. U.S. production is set to increase to 1.04 million tons based on the substantial increase in Florida's orange crop. Together, Brazil and the United States comprise over 90 percent of world output for the selected-major producers.

### Brazil

Brazil's production of orange juice during 2003/04 (marketing year July 2004-July 2005) is estimated at 1.32 million tons (65 degrees brix), up 21 percent from the previous year because of increased orange fresh-fruit availability. Since Brazil's fresh-crop orange exports are limited because of disease, any increase or decrease in orange supplies results in a fluctuation of orange juice production.

### United States

U.S. production of orange juice during 2003/04 is estimated at 1.04 million tons, up nearly 19 percent from the previous year. This corresponds to the rise in Florida's orange crop. More than 95 percent of the orange crop in Florida is processed for orange juice.

On August 13, 2004, Hurricane Charley ripped through some of the largest citrus-producing counties in Florida. Hard hit were Polk, Hardee, and DeSoto counties. Less damage was reported in Charlotte, Lee, Manatee, and Sarasota counties. The seven counties account for 35 percent of the state's 800,000 acres of citrus groves. Press reports indicate that the hurricane knocked oranges and grapefruit off trees and toppled trees. Up to one-third of the state's citrus acreage may be damaged. On August 16, 2004, Florida Agriculture Commissioner Charles Bronson toured some of the key citrus-growing counties that were struck by Hurricane Charley. October 12, 2004, the National Agricultural Statistics Service (NASS) will release its first estimate of the 2004/05 U.S. citrus crops in the Crop Production Report.

## GLOBAL TRADE

Exports of orange juice during 2003/04 from the major producing countries are forecast at 1.5 million tons (65 degrees brix), about unchanged from last year, but up over 2 percent from the January 2004

estimate. Exports from Brazil, which account for 83 percent of the total, are estimated at 1.25 million tons, unchanged from a year ago.

## **Brazil**

Brazil's exports of orange juice in 2003/04 (marketing year July 2004-June 2005) are forecast at 1.25 million tons. That level is unchanged from the previous year and does not reflect the increase in production, as Brazil will have to increase stocks from very low levels in 2002/03. Ending stocks for 2003/04 (marketing year 2004/05) are forecast at 114,000 tons, up from a very low 62,000 tons from the 2002/03 level. Belgium is, by far, the largest destination for Brazil's exports of orange juice.

## **United States**

U.S. exports of orange juice during 2003/04 are estimated at approximately 100,000 tons, up 36 percent from the October-September 2002/03 level. With the increased production of orange juice as a result of the higher Florida orange crop, there have been additional supplies to export. However, Brazil will also have additional supplies and will be in competition with the United States for markets. U.S. imports of orange juice are forecast to decline to 155,000 tons in 2003/04 as the United States produces domestically most of its orange juice needs.

## **CONSUMPTION AND MARKETING**

### **United States**

U.S. consumption of orange juice in 2003/04 is estimated at 1.0 million tons, up about 4 percent from the 2002/03 level. Lower prices should lead to somewhat higher consumption. However, the orange juice industry has been subjected to repeated negative media stories that indicate that orange juice should be avoided by people on a low-carbohydrate diet.

### **Brazil**

Brazil's consumption of processed orange juice is estimated at only 18,000 tons during 2003/04 (marketing year July 2004-June 2005), representing only about 1 percent of production. Brazilian consumers are more likely to fresh squeeze oranges for their juice needs, rather than purchase orange juice.

*The Attaché Report search engine contains reports for orange juice for Egypt, Israel, Japan, Korea, Morocco, Spain, Turkey, Greece, Italy, Mexico, China, Germany, Australia, Brazil, Argentina, and South Africa. For more information on production and trade, contact Debra A. Pumphrey at 202-720-8899. Also, please visit the citrus commodity page: <http://www.fas.usda.gov/htp/horticulture/citrus.html> for the latest information. For more information on marketing issues, contact Sonia Jimenez at 202-720-0898. Data for these countries on orange juice can be extracted from the USDA production, supply, and distribution database located at [www.fas.usda.gov/psd](http://www.fas.usda.gov/psd)*